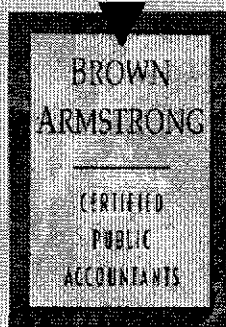


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**AGREED UPON CONDITIONS REPORT DESIGNED TO INCREASE  
EFFICIENCY, INTERNAL CONTROLS AND/OR FINANCIAL REPORTING**

The Honorable Grand Jury and Board of Supervisors  
Stanislaus County  
Modesto, California

We have audited the basic financial statements of the County of Stanislaus, California (the County) for the year ended June 30, 2009 and have issued our report thereon dated December 16, 2009. In planning and performing our audit of the financial statements of the County, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

As a result of our audit, we noted certain agreed-upon findings. These findings and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in other efficiencies and are summarized as follows:

**Current Year Agreed Upon Findings & Recommendations**

**Agreed Upon Condition 1 – Foster Care, Missing FFA Placement Agreements**

**Condition**

The Foster Care Program had one instance where a FFA Placement Agreement (SOC 154), between the Community Service Agency and the foster care provider, was missing. As required by Federal and State regulation, a SOC 154 is required to determine if the foster care provider is eligible for providing care to a child.

**Recommendation**

We recommend that the County established formal policies to require that the eligibility worker verify the source documents and ensure that the documents are in the case files.

**Management Response**

To strengthen our existing procedures, the Foster Care Unit has created new check lists for Intake and Continuing cases that include all potentially required forms. These check lists will be used for Intake Processing and Continuing actions such as redeterminations, placement changes, and restorations. These check lists will be maintained in a folder with each Family Services Specialist in the unit, along with samples of the completed documents.

**A Policy Action Memo** will be released in October 2009 defining the above procedures. The staff will be trained on the Policy Action Memo and the Foster Care Procedures Guide.

CAP  
2/8/10

## Agreed Upon Condition 2 – Foster Care, Missing Birth Certificate

### Condition

The County is required to obtain a birth certificate for the case files. There was one instance where the County requested a birth certificate, but never received the birth certificate. However, this issue was never followed up on.

### Recommendation

We recommend that the County establish formal policies to require that the eligibility worker verify the source documents and that the documents are in the case files.

### Management Response

The TASK function in C-IV will be used whenever mandated items; i.e. birth certificates, social security cards and/or numbers, have been requested but are still pending. The TASK will be set for 60 days. The FSS will review the file and original request for documentation, and, if necessary, make a duplicate request. If a duplicate request is not needed, the Family Services Specialist will TASK the file for an additional 60 days.

The above action will be included in the Policy Action Memo to be issued in October 2009. The staff will be trained on the Policy Action Memo and Foster Care Procedures Guide.

## Agreed Upon Condition 3 – Medical Assistance, Incomplete Application

### Condition

The County failed to obtain an applicant's signature deeming the accuracy of the information on form MC-210. The signature is required before determining eligibility.

### Recommendation

We recommend that the County follow established policies for determining eligibility.

### Management Response

Stanislaus County currently trains staff to follow established policies for determining eligibility and ensuring the customer's signature is on the MC 210, a mandatory step in the application process. The case in question was a deviation from standard procedures due to an oversight by the Family Services Specialist.

## Agreed Upon Condition 4 – Adoption Assistance, AAP-4

### Condition

The County printed out and signed 6 AAP-4s for cases prior to 2001. AAP-4 is the application for Adoption Assistance benefits. Per Federal regulations, AAP-4s are not required to be signed for cases prior to 2001.

### Recommendation

We recommend that the County followed established policies and ensure that the staffs are properly trained on Federal regulations in determining eligibility.

Management Response

The staff will be reminded about the Federal Regulations on AAP-4s- that signatures are not required prior to 2001 but signatures are now required as of 2001. This will be included in the Policy Action Memo.

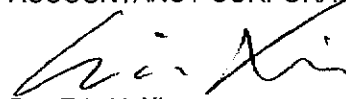
Status of Prior Year Agreed Upon Findings

None.

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This information is intended solely for the use of the Board of Supervisors and management of the County and should not be used for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



By: Eric H. Xin

Bakersfield, California  
December 16, 2009